

3/2/78 [2]

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9:00 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 1, 1978

MEETING WITH REP. ED JONES (D-TENN. 7)

Wednesday, March 2, 1978

9:00 a.m. (15 minutes)

The Oval Office

From: Frank Moore

7m / 8.7.

I. PURPOSE

Rep. Jones has requested this meeting to discuss the farm situation with you.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

- A. Background: Rep. Jones represents the 7th Congressional District of Tennessee, which is the most rural district in Tennessee. He is a former Commissioner of Agriculture for the state of Tennessee and has made agriculture his major issue as a congressman. Rep. Jones is a ranking member of the Agriculture Committee (5), Chairman of the Conservation and Credit Subcommittee (Agriculture), a member of the House Administration Committee (8), and Chairman of the Subcommittee on Services (House Administration). (The Subcommittee on Services oversees the operation of the House restaurant, barber shop, and beauty shop; and for the first time in anyone's memory, these operations are in the black, with a profit of \$100,000 in the House restaurant.)

Rep. Jones is very concerned about the effect the farm situation is having in Tennessee and on the economy in general. He has requested this meeting several times. Rep. Jones sees as remedies: the use of farm credits, better use of the set aside program, mandatory reductions in cotton acreage, land diversion programs, and expanded agricultural export subsidies. Rep. Jones is also concerned about the political effects of the farm situation. He has his first opposition from a Republican since 1972, and he is concerned that many Democratic Members are in trouble because of the farm situation.

Rep. Jones' other political worry is the curtailment of activity at the Memphis Naval Air Station. Tactical Air Squadron 204, which is a reserve squadron, is being moved from Memphis to New Orleans.

Rep. Jones' 34 year-old daughter, Mary Llew McGuire, died suddenly of a liver ailment at the end of last year. A letter of sympathy was sent by you. Mrs. Jones' first name is Llew.

Rep. Jones' percentage of support -- 63%.

Rep. Jones has just left a breakfast in the Mess with Ambassador Strauss regarding agricultural trade issues which was attended by forty Members of Congress.

- B. Participants: The President, Rep. Ed Jones, Frank Moore, and Jim Free.
- C. Press Plan: White House photographer.

III. TALKING POINTS

1. You need to respond to Rep. Jones' discussion of the farm situation, stating that we need to give the 1977 Farm Act time to have an effect on the farm situation. Secretary Bergland presently has under review a set of proposals which covers most of the items Rep. Jones has recommended.
2. Regarding the Memphis Naval Air Station, assure Rep. Jones that his concerns will be noted and kept in mind by those at the Department of Defense who are conducting the continuing evaluation of base alignment.
3. Thank Rep. Jones for his support on the B-1 bomber.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: THE PRESIDENT
FROM: FRANK MOORE *FM*
SUBJECT: Letter to Congressman Harold Ford

My staff persuaded Congressman Harold Ford to vote in favor of reporting the Rostenkowski Hospital Cost Containment bill to the full Ways and Means Committee. Mr. Ford requested a letter from you which he could use to counter labor opposition to his vote. Mr. Ford intends to reproduce this letter in his newsletter.

A proposed letter to Congressman Ford is attached.

Stu's STAFF wrote the letter.


THE WHITE HOUSE

WASHINGTON

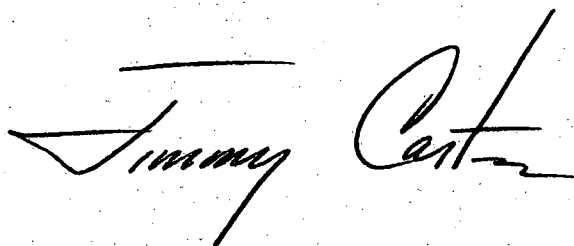
March 2, 1978

To Congressman Ford

Thank you for your help on hospital cost containment. Strong legislation is required to protect every American family, and particularly the poor and elderly, from runaway inflation in the hospital sector.

I share your concern with assuring the economic well-being of hospital employees. I will work with you to enact hospital cost containment legislation which meets this shared objective.

Sincerely,



The Honorable Harold Ford
U.S. House of Representatives
Washington, D.C. 20510

March 3, 1978

Ronna --

The attached letter to Cong. Ford was given to Jim Free this morning to be delivered. They rushed it in to Rick and came back over and picked it up. Thought you may not have seen it - so here's a copy.

Patti



THE PRESIDENT HAS ^{ANNOUNCED} *Joe:*

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE

NATIONAL INSTITUTE OF EDUCATION

WASHINGTON, D.C. 20208

NATIONAL CONFERENCE ON ACHIEVEMENT TESTING AND BASIC SKILLS

Loews L'Enfant Plaza Hotel
March 1 - 3, 1978

*Good - if
the result
is more/better
testing -
J*

WEDNESDAY, March 1, 1978

5:00 - 7:00 p.m.	Reception/Registration
7:30 - 8:30 p.m.	Dinner
8:30 - 9:00 p.m.	<i>Mary F. Berry</i> Assistant Secretary for Education
	Overview of the Federal Program
9:00 p.m.	<i>Harold Howe, II</i> Vice President for Education and Research The Ford Foundation
	Tests and Schooling

THURSDAY, March 2, 1978

8:30 - 10:00 a.m.

Panel I: ACHIEVEMENT TESTING: WHY AND WHEREFORE

Moderator: *Lauren B. Resnick*, Co-Director
Learning Research and Development
Center and Professor of Psychology
University of Pittsburgh

Panelists: *Vito Perrone*, President
National Consortium on Testing

Considerations in use of test results.

William W. Turnbull, President
Educational Testing Service

Standardized tests: Current uses
and limitations.

Bernard C. Watson, Vice President
for Academic Administration
Temple University

Views on the use and misuse of tests:
Implications for children from poor
and minority families.

Maria Ramirez, Assistant Commissioner
for General Education and Curricular
Services
New York Department of Education

Cultural considerations in achievement
testing and the basic skills.

Diane S. Ravitch, Assistant Professor
of History and Education
Teachers College

Tests in a social functions perspective:
What we have and what we need.

10:00 - 10:30 a.m. Commentary from the floor.

10:30 - 10:40 a.m. Charge to Small Groups.

11:00 - Noon Small Group Discussions

Topic: Achievement Tests and Basic Skills:
Preliminary Considerations of the
Federal Role.

12:15 - 1:00 p.m. Lunch and remarks by *Secretary Joseph A. Califano, Jr.*

1:00 - 2:00 p.m. Teachers and Achievement Testing

John Ryor, President
National Education Association

Albert Shanker, President
American Federation of Teachers

2:00 - 2:45 p.m. Commentary from the floor.

3:15 - 4:15 p.m. Panel II: ACHIEVEMENT TESTS AND EDUCATIONAL
QUALITY: STATE AND LOCAL PERSPECTIVES

Moderator: *Lt. Governor Richard Celeste*, Ohio

Panelists: *John W. Porter*, Superintendent of
Public Instruction, Michigan

Test scores and educational policy.

Frederick H. Schultz, former Speaker,
Florida House of Representatives

State legislatures and testing programs.

Ann Kahn, Fairfax County School Board
and National Secretary, National
Congress of Parents and Teachers

A parent's view of achievement testing.

Ramon C. Cortines, Superintendent of
Schools
Pasadena Unified School District

Perspective from the district
superintendent level.

4:15 - 4:45 p.m.

Commentary from the floor.

5:00 - 6:00 p.m.

Reception.

6:00 - 7:00 p.m.

Dinner.

7:00 - 8:00 p.m.

Remarks from *The Honorable Claiborne Pell*,
Rhode Island
United States Senate

8:00 - 9:00 p.m.

Panel III: ACHIEVEMENT TESTS AND EDUCATIONAL
QUALITY: A NATIONAL PERSPECTIVE

Moderator: *Willard Wirtz*, Chairman of the Board
of the National Manpower Institute

Panelists: *The Honorable S. I. Hayakawa*,
California
United States Senate

The Honorable Michael Harrington,
Massachusetts
U.S. House of Representatives

FRIDAY, March 3, 1978

8:00 - 9:00 a.m.

Breakfast.

Remarks by *The Honorable John Brademas*, Indiana
U.S. House of Representatives

9:00 - 9:10 a.m.

Charge to Small Groups.

9:15 - 11:00 a.m.

Small Group Discussions.

Topic: Achievement Tests and Basic Skills:
Guidelines for Federal Assistance.

11:00 - Noon

Hotel check-out time.

12:30 - 1:15 p.m.

Lunch.

1:15 - 1:45 p.m.

Sense of the Conference: Overview of the
Conclusions and Recommendations of the
Discussion Groups.

1:45 - 2:30

Commentary from the floor and federal response.

Chairperson: *Mary F. Berry*, Assistant Secretary
for Education

Ernest L. Boyer, U.S. Commissioner
of Education

Patricia Albjerg Graham, Director
National Institute of Education

2:30 p.m.

Close of Conference.

THE WHITE HOUSE
WASHINGTON

cc Califano

SENT 3/2/78
P.

THE WHITE HOUSE
WASHINGTON

3-2-78

To Ham & Landon

Please explain to
me what you are
doing to correct the
excessive security
violations

THE WHITE HOUSE

WASHINGTON

March 1, 1978

ADMINISTRATIVLEY CONFIDENTIAL

MEMORANDUM FOR: HAMILTON JORDAN
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to make you aware of the following security violations:

Date	Name	Nature of Violation
2/6	Hamilton Jordan	Secret document found on desk
2/15	Laurie Lucey	Top Secret, Secret and Confidential documents found in unlocked cabinet
2/17	Laurie Lucey	Top Secret, Secret and Confidential documents found in unlocked cabinet**
2/17	Mark Siegel	Confidential material found in desk drawer
2/24	Hamilton Jordan	Top Secret, Secret and Confidential material found in unlocked cabinet

cc: The President


** (see attached memo)

THE WHITE HOUSE

WASHINGTON

February 17, 1978

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: LONDON BUTLER
FROM: HUGH CARTER 
SUBJECT: Security Violation

We are returning to your office, for the second time this week, classified documents which were found unsecured by the EPS. This is one of the worst violations I have seen.

Please be advised that it is a violation of Federal law for classified documents to be left unsecured, or to be stored in improper containers. Further, classified document violations are reported to the President.

If your office needs another Federally approved safe please let Skip Holcombe, of my office, know and he will provide what's needed.

Please see that your office complies with the law in handling these documents.

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON
March 1, 1978

3615 -
Please caution
your people
J

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: ZBIG BRZEZINSKI
FROM: HUGH CARTER *HC*
SUBJECT: Security Violations

The President has asked me to make you aware of the following security violations:

Date	Name	Nature of Violation
2/16	Roger Molander	Secret material found on top of desk
2/17	Rick Inderfurth	Secret and Confidential material found on table behind desk
2/19	Flo Bagnall and Flora Paoli	Confidential material found on desk
2/28	Delores Wilson	Safe containing Top Secret, Secret and Confidential material found open

cc: The President

2:30 PM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 1, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
SUBJECT: Your meeting with Sam Brown
Thursday, March 2, 1978 2:30-2:45 p.m.
Oval Office

Background

Sam and Mary originally requested time with you for a proclamation signing ceremony at which time they hoped you would designate March as National Peace Corps/VISTA month. Jim McIntyre recommended that you not do this since March is already Red Cross Month, and since it is not customary to issue Presidential proclamations for agency projects.

Miss Lillian has taped a television spot for them, for which they are very grateful.

Purpose

Sam wants to discuss these subjects with you:

1. Implications of the Humphrey-Case Bill (S.2420) for ACTION. Sam announced publicly that he would be willing to give up the Peace Corps to a new International Development Cooperation Administration. Since other agencies have not been eager to give up programs to the new agency, Sam may wish to retract his earlier position. As you know, a PRC options memorandum on Humphrey-Case will be to you next week so that you can let Congress know your position by March 15th.
2. Your expectations for involving volunteers in this Administration. First, Sam wants to follow up the phone call you had with him two months ago concerning volunteerism. It would be helpful to Sam if you would clarify what you mean when you say volunteer. For example, do you favor programs to help local volunteer organizations through grants, technical assistance and

the like; or do you favor more VISTA-type programs in which a "volunteer" is paid a minimum stipend? Sam would like to know if you have any personal preferences. ACTION now interprets support for "volunteerism" to mean "stipended volunteers."

Second, Sam has proposed some initiatives which are being considered in the urban policy group; he may ask if these meet your expectations for volunteerism. The urban group has made no decisions on the proposals yet, I recommend that you make no commitment now.

- Neighborhood Assistance Fund--\$100 million for grants averaging \$10-15,000 to emerging neighborhood groups to help them get off the ground. Almost any worthwhile project could qualify for funds.
- Urban Service Corps--\$50 million to emerging and existing non-profit community organizations to develop volunteer resource banks; grants for staffing local volunteer agencies; grants for fixed income counseling.

Sam also has a demonstration National Youth Service program in Syracuse, New York which he hopes to expand to other cities, if it proves successful.

ACTION Budget (for you information only)

The major FY 1979 budget decisions for ACTION were:

- ° Increase VISTA by some \$15 million.
- ° Increase Peace Corps by some \$12 million, primarily for improved training to allow people with generalist backgrounds to volunteer.
- ° Office of Voluntary Citizen Participation--\$8 million to give grants and Technical assistance to local groups.
- ° Older Americans--Foster Grandparents and Senior Companions current level. Minimum level Retired Senior Volunteer Programs (substitution effect of the program, little creation of new volunteer activity). Sam has been criticized by Older Americans groups for not increasing RSVP.

During the budget review, you stated that you would not be opposed to increasing ACTION's budget if concrete plans for their proposals were available.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

March 2, 1978

TO THE PRESIDENT

From: Midge Costanza

In anticipation of your speech and press conference at noon today, Let me alert you to the following:

On Sunday, February 26, the IWY Commission passed a resolution, presented by Liz Carpenter, which called on the President to prohibit federal agencies from holding interstate conferences and conventions in the states which have failed to ratify the Equal Rights Amendment. (See attached)

In reply to reporters' questions on the matter -- on the following day -- I pointed out that I could not speak for you, but that I would expect you to be more receptive to the more positive suggestion that federal agencies be encouraged to hold their meetings in states which have ratified. I said also that I would inform you -- either by memo or in person -- of the IWY resolution. This information was inaccurately reported by Associated Press when it was written that I planned to "confront" you with the resolution.

You may also be asked about ACTION Director Sam Brown's attempt to cancel a federal conference in Georgia -- a decision he revoked when Georgia Senators threatened to retaliate with a vote against Administration-supported legislation.

Attachment

National Commission on the Observance of International Women's Year



February 27, 1978

Press Advisory

In action February 26, 1978, the IWY Commission announced the following resolutions:

INTERNATIONAL WOMEN'S YEAR
P.O. BOX 1567
WASHINGTON, D.C. 20013
GENERAL: (202) 632-8888
PUBLIC INFORMATION: 632-8978

OFFICE LOCATION:
COLUMBIA PLAZA OFFICE BUILDING
2401 E STREET NW.
ROOM 3100
WASHINGTON, D.C.

"The IWY Commission asks President Carter to follow the lead of many national organizations by prohibiting federal agencies from holding interstate conferences and conventions in unratified states (those not supporting the Equal Rights Amendment), and commends the Conference of Rural American Women for having adopted a similar resolution."

* * * * *

"The IWY Commissioners deplore the fact that support for the ERA has not been used as a criterion by COPE, (Committee on Political Education), the political action committee of the AFL-CIO, in its endorsement of the candidates for the state legislature in Illinois and certain other states.

"The IWY Commission further moved to request a meeting at the earliest possible time with President George Meany and other top leaders of the AFL-CIO to discuss this and other related matters."

(#)

THE WHITE HOUSE
WASHINGTON

3/2/78

Midge:

In future, please
give possible Q&A
to David Rubenstein
for inclusion in the
domestic issues
briefing book.
Thanks.

Rick

THE PRESIDENT HAS SEEN.

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

March 1, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *for*

SUBJECT: Coal Strike and Thursday Presidential
Press Conference

Reports on the sentiments of UMW members regarding contract ratification continue to be sketchy. However, what indications we do have lean toward the positive. One obstacle to ratification of the contract is the perception by some miners that if they reject this contract, they would be likely to get a better deal through Federal intervention.

This supposition is, of course, untrue. I held a press conference today and tried, in a low-key way, to dispel this impression. I pointed out that under either Taft-Hartley or seizure there would be no way to pay UMW pensioners the benefits they lost because of the strike, nor would there be any way to reimburse UMW members for their medical costs during the strike. In addition, under Taft-Hartley or seizure, there would be no guarantees for the pension or welfare funds. I also noted that under Taft-Hartley miners would have to return to work under the 1974 contract wages. In addition, under the law, strikers who defied a Taft-Hartley injunction would lose their food stamp benefits.

Without directly intervening in the ratification process, I think it would be useful to point out these facts at your press conference on Thursday.

For your convenience, I have attached two sample questions and answers.

SUGGESTED ANSWERS FOR COAL QUESTIONS

AT

PRESIDENT'S NEWS CONFERENCE

Q: Do you think the coal contract will be ratified?

A: I hope so. I think the indications are good. For one thing, the contract settlement was unanimously approved by the expanded UMW Negotiating Team and passed the Bargaining Council by a two-to-one margin. The Bargaining Council is made up of locally-elected leaders of the UMW and is a very representative group. That's why their strong endorsement of this contract is such a positive indication. There is a healthy wage increase and that is coupled with guarantees on the soundness of the UMW's health, pension and other trust funds. Lastly, I think the UMW members will recognize that their best hopes for their future lies in a collectively bargained agreement like this one.

Q: What will you do if the UMW members reject the contract settlement?

A: I deeply hope that doesn't happen. I know the miners will be better served by a collective bargained agreement than they will be by strong Federal action. As you know, I would need legislation from Congress in order to take over the mines. I don't know what impact it would have on Congress if the UMW members rejected this contract. Clearly, the only thing we now feel totally confident about getting is a Taft-Hartley injunction. But what is clear is that either Taft-Hartley or seizure will mean hardship for the miners. That is one reason we struggled so hard to get a collective bargaining agreement. If a Taft-Hartley injunction were granted, miners would undoubtedly have to go back to work under the 1974 contract. In addition, striking miners would be unable to receive food stamps under a Taft-Hartley injunction. Neither Taft-Hartley nor seizure could do anything to compensate UMW retirees for their lost pension benefits because of the strike. Nor would either remedy do anything to help UMW members recover their health-care costs. These are some of the reasons why I hope this contract is ratified.

12:00 PM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

March 1, 1978

From: Jody Powell *JP*

Re: Civil Service Speech & Press Conference at the
National Press Club - Thursday, March 2 at noon

You arrive at the Club about 11:55 a.m. You will go through the library to sign the guest book and have a quick picture with the officers and directors.

You may wish to mention to President Frank Aukofer your regret that you were unable to attend his swearing-in ceremony recently -- but that the Vice President said he enjoyed it a great deal.

Aukofer, who's with the Milwaukee Journal bureau here, will then escort you to the head table. You'll be greeted by speaker's committee chairman Joe Slevin. Aukofer will quickly introduce you. You are scheduled to start speaking just after noon.

(Lunch will have been served at 11:30.)

After you speak for about 10 minutes, you will sit down briefly as Aukofer begins questioning you from written questions submitted by working journalists attending the lunch. You and he use the same lectern, so you'll need to step aside as you complete each answer so he can ask the next question. This is their regular format except for the fact that we've asked them to accept questions from working journalists only. (The Club also has members who are publicists and lobbyists.) This press conference will last for 25 minutes.

Aukofer will ask a "last" question, then present you with the traditional National Press Club tie and a certificate of appreciation. Then he'll ask one last "humorous" question.

After you answer that you will depart the way you came in. Total time at the Press Club should not exceed 55 minutes.

Invited to sit at the head table are:

Senators Byrd, Cranston, Ribicoff, Sasser, Stevens,
and Percy
Speaker O'Neill and Congressmen Wright, Nix, Brooks,
Brademas, Horton and Derwinski
CSC Chairman Campbell
Stu Eizenstat
Dick Pettigrew
Harrison Wellford
Wayne Granquist
Journalists: Paul Healy, Walter Mears, Grant Dillman
Ann Compton, Judy Woodruff, Bob Schieffer, Dick Strout,
John Osborne, Mel Elfin, Katharine Graham, Joe Albritton

The event will be broadcast live over National Public Radio and TV,
and CBS television.

(The first two letters in Aukofer's name are pronounced
like the OW in HOW. The accent is on the first syllable.)

THE WHITE HOUSE
WASHINGTON

March 2, 1978

Bob Lipshutz

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

PRODUCTION OF DOCUMENTS IN SHOE
IMPORT LITIGATION

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 1, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ
MARGARET McKENNA

SUBJECT: Production of Documents in Shoe Import Litigation

A law suit has been filed by several companies affected by the shoe import decision to enjoin implementation of that decision. The plaintiffs, pursuant to the legal discovery process, have requested documents related to this matter. Rick Hutcheson examined the files and segregated these documents. Margaret McKenna examined them and submitted a list of them to the Justice Department. The Justice Department submitted the list to the court. The court has ordered that the documents either be produced or that a formal claim of Executive privilege be filed by Friday, March 3.

In order to file a formal claim of Executive privilege, an affidavit and a brief supporting the affidavit must be filed. A hearing would then be held on the claim of privilege. The Justice Department believes, and we agree, that, in order to be successful in exerting this claim, the attorney writing the brief and arguing the claim must have access to the documents. The alternative would be a White House lawyer, probably Margaret McKenna, preparing the affidavit, the brief, and appearing in a federal court in New York to make what the Justice Department believes are the necessary representations as to the nature (not substance) of the documents.

The Justice Department informs us that they have always had access to documents. The courts have been especially guarded in viewing Executive privilege claims. We should have the best representation available, and the Justice Department lawyers are experienced and expert in this area. Dispatching a White House lawyer to argue the claim, as opposed to a Justice Department official, would be highly unusual and we believe might cause the District Judge to evaluate the claim with special scrutiny.

We recommend that you allow the Justice Department official to examine the documents we have segregated which concern this matter. We believe that this procedure is the proper one and should result in acceptance of our claim by the court. *The Attorney General concurs.*

Agree ☒

Disagree ☐

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

March 2, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

BUNNY MITCHELL

SUBJECT:

H.R. 554

The House of Representatives just passed H.R. 554 for full voting representation for the District of Columbia by the outstanding vote of 289 to 127. The leadership which you have given to this issue was enthusiastically acknowledged by the many District residents who witnessed the vote this morning.

Delegate Fauntroy, as you can well imagine, is jubilant!

for Senate Approval
Senator Charles H.
PERCY

ILLINOIS

FOR IMMEDIATE RELEASE
THURSDAY, MARCH 2, 1978

THE PRESIDENT HAS SEEN.

CONTACT: JOHN WALKER
202-224-7925

PERCY ENDORSES CARTER'S
CIVIL SERVICE REFORM

WASHINGTON--- Senator Charles H. Percy (R-Ill.) today endorsed President Carter's legislative objectives to reform the Civil Service Commission.

Percy said the major goal of the legislation should be restoration of merit as the single most important factor in Federal personnel policy.

"Every American has a stake in making merit the most important factor in staffing the Federal government," Percy said. "Every American suffers when the Federal government fails to function smoothly because of cumbersome personnel procedures."

Percy is the ranking minority member of the Senate Governmental Affairs Committee. The Committee will consider the Carter proposals later this month.

The President outlined his Civil Service reform proposals at a press conference today.

Percy said Carter's legislation is a comprehensive and constructive approach to Civil Service reform.

"This is a long-awaited reform," Percy said. "The American people have demanded it. The Senate will give it high priority."

Percy said some of the President's proposals are controversial and deserve special scrutiny by the Senate.

"Two especially controversial proposals -- the one that modifies veterans preference provisions and the one that addresses Federal labor-management relations -- will require special attention. I will withhold judgment on these two points until the Governmental Affairs Committee has heard testimony in open hearings from those affected by the provisions."

Percy noted the similarity between Carter's objectives and an initiative he took in the Congress in late 1976 to exempt the top 43 positions in the Drug Enforcement Administration, all GS-15 positions and above, from the Civil Service system. Percy was recently informed by the Administrator of DEA, Peter Bensinger, that the exemption, which became effective in January, has resulted in significantly greater management flexibility and efficiency in DEA.

Percy said the Carter legislation represents the first effort in decades to modernize the Civil Service Commission.

"As the size of government has increased, so has the complexity of the Civil Service system. Virtually every personnel action -- hiring, firing, transferring, promoting and demoting -- has become a bureaucratic nightmare. Civil Service reform is long overdue."

#####

THE PRESIDENT HAS BEEN:

9

MR. PRESIDENT:

THIS DRAFT HAS THE APPROVAL OF STU, JIM, AND MYSELF.
ALL SUBSTANTIVE CHANGES FROM THE V. P. AND FROM SCOTTY
CAMPBELL ARE INCORPORATED HEREIN.

TO MAKE DOUBLY SURE, THIS DRAFT IS BEING REVIEWED SOLELY
FOR ERRORS IN SUBSTANCE BY CAMPBELL TONIGHT.

THE ONE DIFFERENCE OF OPINION IS OVER THE NEXT TO LAST
PAGE. STU FEELS THAT IT WAVES A RED FLAG AND SHOULD NOT
BE USED. JIM FEELS THAT IT WILL GAIN YOU GOOD MARKS FOR
CANDOR AND WILL NOT MARGINALLY AFFECT THE SIZE OR THE INTENSITY
OR EFFECTIVENESS OF THE OPPOSITION. I AM INCLINED TO AGREE
WITH JIM. NONE OF US FEEL THAT STRONGLY ABOUT OUR POSITIONS
ON THIS MATTER HOWEVER.

I FEEL THE SPEECH IS STILL A BIT TOO LONG. THEREFORE, I
HAVE INDICATED SEVERAL PLACES WHERE I FEEL CUTS COULD BE
MADE. THE PRESS WILL BE GIVEN A COMPLETE BRIEFING MEMO
BEFORE YOU SPEAK AND ADMINISTRATION OFFICIALS WILL BE AVAILABLE
TO BRIEF THEM FURTHER ~~ATTEKXTHE~~ IN THE AFTERNOON, SO ALL YOU
NEED TO DO IS TO HIT THE HIGH POINTS, MAKE A GOOD CASE FOR
THE PROPOSALS, AND SOUND LIKE YOU REALLY MEAN IT.

STU SAYS
THE MESSAGE IS
CONSISTENT.
JRP

JRP

THE PRESIDENT HAS SEEN.

2:00 PM

THE WHITE HOUSE

WASHINGTON

March 1, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Meeting with Secretaries
Blumenthal and Califano

I understand that the purpose of this meeting is for both of them to suggest that you postpone National Health Insurance until next year.

While there are certainly good arguments for this, there are also factors on the other side to be considered. I would suggest that you make no commitment but ask them to explore with the UAW such a delay and how it would be received.

THE WHITE HOUSE
WASHINGTON

March 1, 1978

MEMORANDUM TO:

THE PRESIDENT

FROM:

STU EIZENSTAT
DAVID RUBENSTEIN *D.R.*

SUBJECT:

Press Conference March 2, 1978

Attached are domestic questions and answers for tomorrow's press conference.

URBAN POLICY

Q: There have been reports in the press that you intend to delay the announcement of your urban policy beyond March 15. Are these reports true and, if so, why has there been a delay?

A: --I expect to announce my Administration's urban policy in ~~mid to late~~ March. I have set this timetable to insure that my urban policy proposals can be considered by Congress for inclusion in the Fiscal Year 1979 budget. I remain committed to that timetable and I expect that we will meet it.

-- It is important to remember that urban policy is an extremely complex issue which involves virtually all of the domestic agencies, many Congressional Committees and numerous public interest groups. We have consulted actively with all of these groups to insure that their views are adequately reflected in the policy. This is a time consuming process, but one which is absolutely essential if we are to develop a successful policy. I'm sure that all of the groups interested in the policy support this process.

(NOTE: Pat Harris feels, and I agree, that we need an extra week to complete work on the urban policy. It has tentatively been scheduled for March 15, but there is no binding commitment to that date. We would prefer a date of March 22, which would still be before Congress recesses and you leave for Latin America.)

ok. no
later

NEW YORK CITY

Q: Secretary Blumenthal's testimony on New York City seems to support the criticism that the Administration is only committed to guarantees on a standby basis, with guarantees to be involved only if the City cannot market its own debt. Does this provision in effect require the City to "fail", and does this make it more difficult to create the favorable market psychology necessary to a successful financing package?

A: -- Secretary Blumenthal's testimony indicates that Federal guarantees of up to \$2 billion would be issued only to cover the City's legitimate financing needs which clearly cannot be met on a non-guaranteed basis.

for 15 years

-- In other words, the level of assistance would be limited to the amount necessary to avert the City's bankruptcy, which would have serious consequences for both New York and the nation.

-- Moreover, the Secretary stated that the precise form and coverage of guarantees would be negotiated before June 30, 1978. Thus, if the Administration were to determine before June 30 that a financing "gap" existed that could not be met by the public markets and private parties in the City, the Secretary could recommend direct "upfront" guarantees for a portion of a negotiated financing package. The Administration is not conditioning the availability of guarantees upon the City's "failure" in an underwriting.

Q: Does the Secretary's testimony condition the availability of guarantees upon unguaranteed lending commitments by the City union pension funds? Union officials have taken the view that unguaranteed purchases of City debt would be illegal.

A: -- Secretary Blumenthal has indicated that he does not intend to issue Federal guarantees unless other parties with a stake in the City's future make financing commitments on an unguaranteed basis. This reflects my position that our commitment to avert bankruptcy must be accompanied by the maximum appropriate participation of the local parties.

-- The size and nature of that participation, and the specific financing commitments of the various parties, will be the subject of discussions between the Secretary, the City and state and other local parties.

Q: What is your assessment of the likelihood of Congressional enactment of the Administration's financing plan?

A: -- This will be a difficult issue for the Congress, but I am cautiously optimistic for two reasons.

-- First, the bankruptcy of the City could have serious repercussions not only for New York, but for the financial markets and the nation as a whole. I believe that a minimal federal role as a backstop to local efforts is preferable to risking the unknown effects of the bankruptcy of the City.

-- Second, the Administration's proposal is predicated upon the willingness of the local parties to make maximum efforts through a series of very difficult actions.

BAKER

Q: Why has the White House held up the nomination of Russell T. Baker to be the U.S. Attorney for Maryland? Is there any connection between the delay and his role in the Marston Affair?

A: -- The nomination is not being held up in any way. As you may know, before any nomination is sent to Congress various clearances, including those of the FBI and IRS, are necessary before the nomination can officially be made.

-- The clearances are just about complete, and I expect the nomination to be sent to Congress as soon as they have been finished.

(NOTE: The nomination has been delayed at the White House at the request of Senator Eastland, who felt that if it were sent to Congress now, the Republicans would entangle it with the Civiletti nomination. Therefore, we are waiting for the committee to finish with Civiletti before taking any action. But Judge Bell does not believe that we should indicate that the two nominations are linked. He feels that you should say as little as possible.)

*Then this is
not true --
Do not even give
me a false
statement*

CIVIL SERVICE REFORM

Q: Will the changes you are proposing lead to politicizing of the Civil Service, especially in light of recent history?

A: -- No, just the opposite.

-- My proposals will provide increased protection against political abuse. For the first time there will be an adjudicatory body to judge employee appeals which is truly independent of management control.

-- In addition, an independent Special Counsel will be empowered to investigate illegal political influences in the Civil Service.

-- Further, the law will specify that the government's personnel agency can no longer have a free hand in increasing the number of political appointments at the Executive level. The present number of political appointments at this level, approximately 10%, would be established in the statute, restricting for the first time a President's power to increase political appointments.

Q: How does your Senior Executive Service proposal differ from the previous Federal executive proposal made by President Nixon?

A: -- Our proposal differs in very significant ways from the proposal made in the early 1970's.

1070

-- Under the earlier proposal, over 20% of the executive service would have been political appointments, more than twice the percentage I am recommending.

-- In addition, an agency head had far more discretion to remove an executive regardless of how well the executive performed, and there were no pay incentives directly linked to this performance.

Voluntary participation

Q: Will your Civil Service proposal make it easier for Presidential assistants to remove U.S. attorneys or other Federal employees?

A -- U.S. Attorneys are Presidential appointments confirmed by the Senate and their removal will not be affected by what is proposed today.

-- As to other employees, they will have increased protection against political abuse, not less. For the first time, a truly independent adjudicatory body, free from management influence, will hear employee appeals. An independent Special Counsel will be able to prosecute political abuse.

-- The percentage of political appointments will be written into law for the first time so that the personnel agency does not have a free hand in increasing those appointments. Finally, there will be for the first time a listing in statute of prohibited personnel practices, including political abuse, which will carry serious penalties.

THE WHITE HOUSE
WASHINGTON
March 2, 1978

Jim Gammill

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Hamilton Jordan

RE: APPOINTMENTS

THE WHITE HOUSE
WASHINGTON

March 1, 1978

*Jim - In
future, let me
know why you
recommend a person
J*

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES F. GAMMILL, Jr. *JFG*

SUBJECT:

Presidential Appointment

I recommend that you approve the following-named person to be Chairman of the United States Section of the Permanent Joint Board on Defense, United States-Canada:

Thomas E. Morgan, of Pennsylvania, vice
Charles S. Gubser, resigned.

Mr. Morgan is a former United States Representative from the State of Pennsylvania.

All necessary checks have been completed.

I recommend that you approve the letter for this appointment:

✓ Yes No


MEMORANDUM

THE PRESIDENT HAS SEEN

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO THE PRESIDENT

FROM: LONDON BUTLER 
DATE: MARCH 2, 1978
SUBJECT: SECURITY MEASURES

To prevent further violations of security, I have had a safe installed in my office. Henceforth, all classified materials will be stored there, rather than in a locked file cabinet with unclassified materials. One person in my office will be made responsible for keeping all classified materials properly stored.

Hamilton will report to you separately on his and Mark Siegel's security violations.

C
✓

March 2, 1978

Dear Dr. Harwell:

This is in response to your letter of February 3 to Ms. Fran Voorde.

I apologize for the delay in acknowledging your request that the President send a congratulatory note to Dr. Ben Fisher on the occasion of his retirement. Having made a note to send the message nearer the date of the dinner on June 27, I realized only today that you should be assured that a letter will be sent.

You may expect to receive the letter from President Carter in sufficient time for you to pass it along to the persons organizing the dinner.

With best wishes,

Sincerely,

Susan S. Clough
Personal Assistant/Secretary
to the President

Dr. Jack U. Harwell
Editor
The Christian Index
2930 Flowers Road, South
Atlanta, Georgia 30341

SSC:MF:JMC:MKW

FYI - Information for this ltr being held in pending file
in Special Reply Section

cc: Fran Voorde

RECEIVED

MAR 3 1978

CENTRAL FILES

Date: March 1

TO: Susan Clough

I had been holding on to this since I thought it would look ridiculous to have early date on letter from P. The Met Opera cases last week reminded me that some acknowledgment would be necessary.

Sorry.

THE WHITE HOUSE
WASHINGTON

2/14/78

joyce cook --

please have someone
draft a brief note of
congratulations to
fisher over the president's
signature...and return to
me.

thanks -- susan clough

THE WHITE HOUSE
WASHINGTON

2/14/78

eliska--

attached is f.y.i.....then
please forward complete files
and notes to joyce cook,
61-eob.

thanks -- susan clough

OK/gac

2/13/78

Mr. President --

Is Dr. Ben C. Fisher (executive director
of the Southern Baptist Education Commission)
a personal friend of yours?

(Jack Harwell is asking for a letter
upon his retirement...which we usually
would not do.)

Thanks -- Susan

JH ok.
J

THE WHITE HOUSE
WASHINGTON

February 10, 1978

NOTE FOR SUSAN CLOUGH

Susan, see Claudia's yellow note to me on the attached request.

If Dr. Fisher is a personal friend, I'd be happy to do a letter to him at his home for the President's signature. If he is not, I'd rather not make an exception since we don't do it for retiring executives of other denominations and particularly since the event honoring him is not even being held in Georgia.

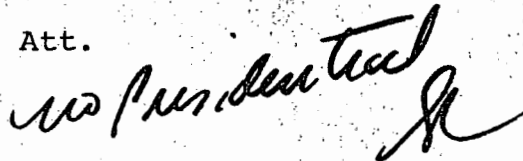
If you feel you'd still want to make an exception because of the President's strong interest in Baptist activities, perhaps you would want to do so straight from your office as the file indicates he has done before.

Please let me know either way so that I can be guided in future requests of this kind. Thank you.



Eliska Coolidge

Att.



June 27

Jack U. Harwell, Editor/Manager of
THE CHRISTIAN INDEX sends letter to
Fran Voorde requesting message for
Dr. Ben C. Fisher, retiring Executive
Director of the Southern Baptist
Education Commission. Fran notes that
she's sure the President would want to
do this.

See attached file on writer, honoree
and his Commission.

As you know, this denomination
has several boards and commissions
(Sunday School Board/Home Mission
Board/Brotherhood Commission). Past
Presidents have sent messages on re-
tirements of heads of denominations,
but not to other executives in hier-
archy. I see from the files that the
President does participate in activities
of his church; so perhaps you'll just
want to send all of this to Susan Clough
for handling if, as Fran suggests, the
President would want this done. If
she wanted this handled same as ~~from~~ *for*
any other denomination, you could call
and explain to writer why these are
not done.

ck 2/9

THE Christian INDEX

ESTABLISHED EIGHTEEN TWENTY-TWO
JACK U. HARWELL, EDITOR-MANAGER

BAPTIST CENTER, 2930 FLOWERS ROAD SOUTH
ATLANTA, GA. 30341 - PHONE 404 • 455-0404

February 3, 1978

- 1) FV to note
- 2) E. L. L. Coalbets to Liddle

Mrs. Fran Voorde
The White House
Washington, D. C. 20500

Dear Fran:

I don't know if you remember meeting me on December 16 or not. I came with the group of educators calling on President Carter to make a statement on behalf of Christian colleges. We were deeply grateful for your help.

If you recall, the man who was chairman of that group is Dr. Ben C. Fisher, executive director of the Southern Baptist Education Commission.


Dr. Fisher has just announced that he is going to retire this Fall. A special dinner will be held in his honor in June at the annual convention of Southern Baptist colleges in Asheville, North Carolina. A dinner will be held on June 27.

The organizers of that dinner have asked me if I could get President Carter to write a congratulatory note to Dr. Fisher, honoring his retirement. It would mean a great deal to Dr. Fisher and to the Baptist men who will be organizing the dinner.

A news story is attached from our publication this week, showing some of the biographical background on Dr. Fisher. I am sure there is enough information here for your staff to write the appropriate letter for President Carter's signature.

✓ If the President could do such a letter I would appreciate it being sent here to me at The Christian Index. They want it to be a surprise to Dr. Fisher until it is actually read. I would deliver it to the appropriate people and they would read it at the banquet. If you can do this for us we would be mighty grateful.

Your friend,


Jack U. Harwell

JUH:gn
encl.

*Clicks - I'm sure the
I would want to do.
fran*

Ben Fisher Announces September Retirement

Ben C. Fisher, who has spent 40 years in service to Southern Baptists, including 20 years in Christian higher education, has announced early retirement, effective Sept. 30.

Dr. Fisher, executive director and treasurer of the Education Commission of the Southern Baptist Convention since 1979, will be 63 in May. Commission chairman



George Bagley. Dr. Fisher, executive secretary for Alabama Baptist Convention, will name a search committee to look for Dr. Fisher's successor.

A native of Webster, N.C., Dr. Fisher served as a pastor in North Carolina from 1938-47, before becoming chairman of the English department at Gardner-Webb College in 1947. He later served as executive assistant to the president and director of public relations at Gardner-Webb.

In 1953, he became associate secretary of the SBC Education Commission and associate editor of the commission publication, *The Southern Baptist Educator*. He served also as executive secretary of the Department of Christian Education of the General Association of Baptists in Kentucky.

He joined Southeastern seminary in 1964 as administrative assistant to the president, director of public relations and professor of Christian education.

Dr. Fisher became executive secretary of the Council on Christian Higher Education of the Baptist State Convention of North Carolina in 1968, serving until 1971, when he rejoined the SBC Education Commission as chief executive.

Service and honors have included many citations for distinguished service and membership and leadership in a number of denominational and governmental educational boards, committees and advisory bodies.

Private Club Drink Bill Awaits Senate Action

By J. Emmett Henderson, Executive Director
Georgia Council On Moral and Civic Concerns

"They saw the light." This is how Rep. Tom Tamm of Savannah explained the Georgia House

to sell the bill is a tired and old one. The argument holds that mixed drinks are already being sold



GENE TYRE Jr. stands with (l/r) Charles Carveth, Dr. Gunar Bohan and Georgia Lt. Governor Zell Miller in front of the home for mentally retarded persons jointly sponsored by Rainbow Park Church and the DeKalb County Health Department.

Decatur Church Joins County In Mental Retardation Project

Rainbow Park church in Decatur has joined DeKalb County's Health Department in a project designed to place mentally retarded adults in a "community-like atmosphere."

A modern 190,000-sq-ft home on Stapfinger Road in Lithia has been acquired by the church. Initially, it will house three mentally retarded adults ages 21 to 26, along with a young couple who will serve as caretakers.

Mr. and Mrs. John Banks, as caretakers, will supervise and

While county health department officials will be providing the bulk of material resources for the project, the church will work to involve individuals in Sunday school as well as recreational activities, Dr. Tyre noted.

DeKalb County Health Department director Gunar Bohan emphasized that the project is a joint one between the church and the county. "We will be working together to help the development of other projects," he said.

1144

THE WHITE HOUSE
WASHINGTON

March 2, 1978

Jim McIntyre
Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Stu Eizenstat
Frank Moore

RE: STRATEGIC STOCKPILE REVOLVING
FUND

ADMINISTRATIVELY
CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

ACTION	FYI	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input checked="" type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input type="checkbox"/>	<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	<input type="checkbox"/>	McINTYRE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input checked="" type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	GAMMILL

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN

THE WHITE HOUSE
WASHINGTON

3/2/78

Mr. President:

No comment from Congressional
Liaison.

Rick

THE WHITE HOUSE

WASHINGTON

March 1, 1978

ok
JC

MEMORANDUM FOR: THE PRESIDENT

FROM:

JAMES T. MCINTYRE

ZBIGNIEW BRZEZINSKI



SUBJECT:

STRATEGIC STOCKPILE REVOLVING FUND

As you know, Representative Bennett has been a strong proponent of a stockpile revolving fund and has threatened to block any authorization of stockpile disposals until such a fund is established. Bennett's Bill would earmark for future stockpile purchase receipts from the sale of excess stockpile materials. When you met with Representative Bennett in October, you expressed strong reservations on revolving funds, based on your experience in Georgia, but indicated that some compromise might be reached.


We have developed, in collaboration with the Federal Preparedness Agency (which administers the stockpile), a compromise which we believe may be acceptable to Representative Bennett and also to Senator Hart, who has introduced legislation of his own. This compromise would limit to three years the period of time that stockpile receipts would be earmarked for purchase of new materials. Purchases from the fund would, however, require action by the appropriations committees. Funds remaining unappropriated for a period of 3 years would then revert to the Treasury. (The Bennett legislation would earmark such receipts for an indefinite period). Technically, this compromise would not set up a revolving fund -- instead we would use a special account that would track receipts and purchases.

Subject to your approval, we will proceed to discuss this approach with Bennett as soon as possible. Senate hearings on revolving fund legislation are scheduled for March 8th.

ADMINISTRATIVELY CONFIDENTIAL

The Vice President and the Domestic Policy Staff agree that consultation with Bennett should proceed on the revolving fund issue and believe that the OMB-NSC approach would be compatible with our potential compromise on copper, which we are exploring with key Congressmen.

Recommendation: That you approve our stockpile legislation proposal. This would provide that receipts would revert to the Treasury if not appropriated in three years.

Approve  _____ Disapprove _____